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DEPARTMENT FOR ISN AND EAP

E.O. 12958: DECL: 03/20/2033

TAGS: PARM PREL ETTC CH

SUBJECT: FOLLOW-UP ON CHINA NONPROLIFERATION COOPERATION
PLAN

REF: A. 07 BEIJING 5361
1B. 07 BEIJING 7297
1C. BEIJING 463
1D. BEIJING 578
1E. 07 BEIJING 7141

Classified By: Political Minister Counselor Aubrey Carlson.
Reasons 1.4 (b/d).

Summary

11. (S) PolMinCouns and MFA Arms Control Counselor Li Song discussed our bilateral plan to enhance nonproliferation cooperation on March 19. Li said China was very pleased with the January export control workshop and noted that China is "ready for more" cooperation of this sort. PolMinCouns updated Li on the United States Government's ongoing dialogues with NORINCO and China Great Wall Industry Corporation. Li described these meetings as a "very constructive development" and said he hopes the United States will be able to learn through this dialogue how these firms are implementing China's nonproliferation and export control policies. Li said the PRC has "been working hard" on the list of open cases we provided to them in November 2007 and will respond to PolMinCouns' proposal for an April 16 review of open cases as soon as possible. End Summary.

12. (S) PolMinCouns and MFA Arms Control and Disarmament Department Counselor Li Song discussed the U.S.-China plan to enhance bilateral nonproliferation cooperation on March 19. Recalling that the United States presented the plan to China during the August Nonproliferation Dialogue (ref A) and that China formally agreed to the proposal on November 30 (ref B), PolMinCouns said we have had some success since then implementing the plan.

Enhancing Export Control Cooperation

13. (S) PolMinCouns noted that in accordance with the plan's call for strengthened bilateral export control cooperation, we jointly held a successful export control workshop in January in Beijing (ref C). He told Li the United States welcomed continued cooperation and handed over to Li an original signed version of ref D letter from ISN PDAS Patricia McNerney congratulating MFA Arms Control and Disarmament Department Director General Cheng Jingye on a successful workshop. Li said China was very pleased with the January workshop, which was an indication that bilateral cooperation had improved considerably. Although bilateral cooperation on these issues still "have a long way to go," he said, these kinds of exchanges, as long as they are based on mutual trust and understanding, help to advance bilateral cooperation. The workshop was an especially useful opportunity for working-level officials from many agencies on both sides to more fully understand how they can work together to ensure export controls are effectively enforced. China is "ready for more" cooperation of this sort, he said.

Dialogue with Chinese Companies

¶ 14. (S) PolMinCouns noted that the plan to enhance bilateral nonproliferation cooperation calls on the United States to keep China informed of the U.S. Government's discussions with Chinese businesses. He noted the discussions we have had and are having with NORINCO and China Great Wall Industry Corporation (CGWIC). He noted that CGWIC representatives are presently in Washington to meet U.S. officials and that the DCM will visit NORINCO headquarters on March 26 to learn about the company's ongoing efforts to implement an effective Internal Compliance Program.

¶ 15. (S) Li described these meetings as a "very constructive development" and said he hopes the United States will be able to learn through this dialogue how these firms are implementing China's nonproliferation and export control policies. Beijing looks forward to hearing the outcome of CGWIC's dialogue with U.S. officials. It is time for the United States to end its sanctions policy, he stressed. Any efforts to do so, he said, would be helpful overall bilateral nonproliferation cooperation and, off the record, would assist the MFA in "promoting internal (Chinese Government) cooperation" to investigate proliferation cases raised by the United States.

Review of Open Cases

¶ 16. (S) PolMinCouns pointed out that the proposal to enhance bilateral nonproliferation cooperation also calls on a regular review of open proliferation cases. He proposed

holding our first review at the working-level in mid-April, and he shared with Li an updated list of open cases. Li took note of the U.S. proposed date and said his staff has "already been working hard" on the list of open cases the Embassy provided the MFA in November (ref E). China will be prepared to conduct the review in "due course," he said, but pledged to respond to the U.S. proposal to meet in April as soon as possible. Li said he hopes that we can work together to make the list "shorter and shorter" as proof of successful export control cooperation.

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End Cable Text